

Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

9/8/03

RED MUD MINING COMPANY PO BOX 17 372 N MAIN GUNLOCK UT 84733

	ATTENTION: IVAN	OR JESSE H	TNUH	
DELINQUENCY NOTICE	Annual Permit Fees (July 2003 thru June 2004			
PROJECT NAME	PROJECT ID	ACRES	BILLING DATE	
RED MUD	S530033	NA	06/27/2003	
PERMIT TYPE	PROJECT STATUS		ANNUAL FEE	
SMALL MINING OPERATION < 5 ACRES	INACTIVE		\$ 150	
			\$ 150	
		UE DATE	AMOUNT DUE	
		UE DATE	AMOUNT DUE	
	10/0	08/2003	\$ 150	

Please see enclosed instructions for payment.

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

ACCOUNT BILLED		PROJECT NAME		PROJECT ID	
RED MUD MINING COMPANY		RED MUD		\$530033	
ANNUAL FEE	AMOUNT DUE	FEE NOT ENCLOSED	Change of Address		
10/08/2003 \$ 150 \$ 150 TAX ID OR SOCIAL SECURITY #		Permittee requests an inspection to close out this permit			
			Address		
			E-mail address		
3OX 145801			State Zip Phone		
3	ANNUAL FEE \$ 150 ID OR SOCIAL SECULIARIES SION OF OIL WEST NOR' OX 145801	ANNUAL FEE \$ 150 ID OR SOCIAL SECURITY # SION OF OIL GAS AND MINITURE SUPPLY SION 145801	ANNUAL FEE \$ 150 SID OR SOCIAL SECURITY # SION OF OIL GAS AND MINING WEST NORTH TEMPLE SUITE 1210 SOX 145801	ANNUAL FEE \$ 150 SION OF OIL GAS AND MINING WEST NORTH TEMPLE SUITE 1210 RED MUD FEE NOT ENCLOSED Permittee requests an inspection to close out this permit. Contact Address E-mail address State Zip	

Please make check payable to:
Division of Oil, Gas and Mining

Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY www.nr.utah.gov

September 8, 2003

Subject: Second Notice - Delinquent Permit Fees, Further Mining is Suspended, Minerals

Regulatory Program

Dear Permittee:

Our records indicate that we have not received your annual permit fee payment(s) for the 2003 fiscal year, which was due July 25, 2003. Your fee is now over 30 days past due. Non-payment of permit fees suspends an operator's authorization to conduct exploration or mining operations until the permit fees have been received by this office. THEREFORE, YOUR AUTHORIZATION TO CONDUCT EXPLORATION OR MINING ACTIVITIES IS HEREBY SUSPENDED, UNTIL THIS BILLING REQUIREMENT IS RESOLVED.

Exploration or mining operations may resume upon our receipt of the required fees. Please return the enclosed "Delinquency Notice" with your payment to insure the money is posted to the correct account. If you have already sent in your payment, please accept our thanks and disregard this notice.

As you are aware, if you have reclaimed the project site and no longer wish to keep your permit active, you may check the box on the enclosed billing notice requesting a Division site inspection. This will suspend your fee payment until we can perform a site inspection. If our inspection shows that the site is stabilized and meets the 70% pre-mining revegetation success standard, then the project can be released and the case file closed. If the site is not satisfactorily reclaimed, you will be notified accordingly and the annual fee must be received within 30 days of the inspection date.

The annual permit fee(s) must be submitted to keep your <u>permit</u> in effect. An operator's failure to pay the required annual permit fee within 30 days of the due date, requires us to forward all delinquent billings to the Utah Office of Debt Collection. Late penalties and interest charges are subsequently assessed to the unpaid balance. This action may also result in permit revocation (cancellation) proceedings before the Board of Oil, Gas and Mining. *Cancellation of your permit will not release you from any outstanding reclamation requirements on the project area.*



Page 2 of 2 Second Notice 2003-2004 Permit Fees September 8, 2003

We hope to avoid taking any enforcement action regarding the fee payments. Please choose one of the following options: 1) submit your payment within 30 days; 2) check the box, if the site is reclaimed, requesting a site inspection; or 3) contact us immediately to explain the extenuating circumstances for non-payment.

If you have any questions regarding this letter, please contact me at (801) 538-5286 or Joelle Burns at 538-5291. Thank you for your immediate attention to this matter.

Sincerely,

D. Wayne Hedberg, Permit Supervisor

Minerals Regulatory Program Division of Oil, Gas and Mining

&. Wayne Hedberg

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